**Tarrant County Texas** 

NOTICE OF CONFIDENTIALITY RIGHTS THE BLATUTIAL BERSON MAY REMOVE OR STRUKE ANY OR ALL OF THE FOLLOWING INFORMATION BEFORE IT IS FILED IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NI Augume Healesse

D208463227

SE NUMBER.

Submitter: ACS INC XTO REV PROD 88 (7-69) PAID UP (04/17/07)B 8 Pages

Suzanne Henderson

# **OIL. GAS AND MINERAL LEASE**

THIS AGREEMENT made this 5th day of June, 2008, between Brinker Texas, Inc., a Delaware Corporation, Successor in Interest to Brinker Texas, L.P., a Texas Limited Partnership, Lessor (whether one or more), whose address is: 6820 LBJ Fwy, Dallas, Texas 75240-6515, Attn: General Counsel (MG0188) and XTO Energy Inc., whose address is: 810 Houston St., Fort Worth, Texas 76102, Lessee, WITNESSETH:

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of Tarrant, State of Texas, and is described as follows:

1.877 acres of land, more or less, being all of Lot 1-R3, Block 43 of Stoneglen at Fossil Creek, an addition to the City of Fort Worth, according to the plat thereof as recorded in Cabinet A, Slide 4660 and 4661, of the Plat Records of Tarrant County, Texas.

## See Exhibit "A" attached hereto and made a part hereof:

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion, after-acquired title or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 1.877 acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

- 2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of three (3) years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.
- 3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal one-fourth (1/4) part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such one-fourth (1/4) part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear one-fourth (1/4) of the cost of treating oil to render it marketable pipe line oil; (b) To pay Lessor on gas and casinghead gas produced from said land (1) when sold by Lessee, one- fourth (1/4) of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of one-fourth (1/4) of such gas and casinghead gas; (c) To pay Lessor on all other minerals mined and marketed or utilized by Lessee from said land, one-tenth either in kind or value at the well or mine at Lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, Lessee shall pay or tender, by check or draft of Lessee, as royalty, a sum equal to one dollar (\$1.00) for

D208463227

each acre of land then covered hereby. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in such bank as directed by Lessor, or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that Lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same. Lessee may, in lieu of any other method of payment herein provided, pay or tender such shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as Lessee may elect. Any payment hereunder may be made by check or draft of Lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair Lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, or existing units may be enlarged as to any one or more horizons, so as to contain not more than 640 surface acres plus 10% acreage tolerance, if limited to one or more of the following: (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the time established, or after enlargement, are permitted or required under any governmental rule or order, for the drilling or operation of a well at a regular location, or for obtaining maximum allowable from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged to conform to the size permitted or required by such governmental order or rule. Lessee shall exercise said option as to each desired unit by executing an instrument identifying such unit and filing it for record in the public office in which this lease is recorded. Such unit shall become effective as of the date provided for in said instrument or instruments but if said instrument or instruments make no such provision. then such unit shall become effective on the date such instrument or instruments are so filed of record. Each of said options may be exercised by Lessee at any time and from time to time while this lease is in force, and whether before or after operations or production has been established either on said land, or on the portion of said land included in the unit, or on other land unitized therewith. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced therefrom under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time there is no unitized minerals being produced from such unit. Any unit formed may be amended, re-formed, reduced or enlarged by Lessee at its election at any time and from time to time after the original forming thereof by filing an appropriate instrument of record in the public office in which the pooled acreage is located. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter,

either as to parties or amounts, from that as to any other part of the leased premises.

- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location or access road, drilling, testing, completing, reworking, recompleting, deepening, sidetracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns, no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until sixty (60) days after there has been furnished to such record owner at his or its principal place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such court records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner. Lessee may, nevertheless pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.
- 9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less that forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained and shall not be required to move or remove any existing surface facilities necessary or convenient for current operations.
- 10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to Lessor and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties and other moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.

- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, reworking or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any such operations conducted at a surface location off of said land or off of lands with which said land are pooled in accordance with this lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

LESSOR(S)			0	
	_(prii	nted name) <u>Jeffrey Hot</u>	рап	, in his/her capacity
as Vice President		of Brinker Texas,	Inc., a Delaware Corpora	ation, Sucessor in Interest to Brinker
Texas, L.P., a Texas Limited Partnership.				
***********************	*****	********	********	****************
STATE OF _TEXAS }	~	# EDOMENT FOR O	ODDODATION'S	
COUNTY OF DALLAS}	INOA	VLEDGMENT FOR C	ORPORATION)	
This instrument was acknowledged before me on the	<u>.</u> 1∃	day of June	, 20 <u>08</u> ,	
by Jeffrey Hoban	, as _	Vice President		, of Brinker Texas, Inc.,
a Delaware Corporation, Sucessor in Interest to Brinker	Texas	s, L.P., a Texas Limited	l Partnership, on behalf o	of said Deleware Corporation
		Signature	martha 9	2.0 lson
The state of the s		Printed	Notary Public	Blson
My commission expires: Notary Public State of Toxas Seal: Commission Expires				

APRIL 29, 2010

LESSEE(S)				
as Senior VP Land administration of XTO Energy, Inc., a Delaware Corporation.				
as Senior VP Land Warninis tration of XTO Energy, Inc., a Dulawaw Corporation.				
***************************************				
state of <u>Juan</u> ; (acknowledgment for corporation)				
This instrument was acknowledged before me on the 315th day of June July, 2008				
by Edwin S Ryan, Jv. , as Senior VP- Lana administration XTO Energy, Inc. a Delaware corporation,				
Signature Charla 9 Wilkes  Printed Charla F Wilkes				
Notary Public				
My commission expires: 3-5-2012				
Seal:  CHARLA F. WILKES  HOTARY PUBLIC STATE OF TEXAS COMMISSION EXPIRES:  O3-05-2012				

 $k_i^{\star} = \pm i \cdot q$ 

### **EXHIBIT "A"**

This Exhibit "A" is attached to and made a part of that certain Oil, Gas and Mineral Lease dated the <u>5th</u> day of <u>June</u>, 2008 by and between Brinker Texas, Inc., a Delaware Corporation, Sucessor in Interest to Brinker Texas, L.P., a Texas Limited Partnership, on behalf of said Delaware Corporation, as Lessor and XTO Energy Inc., as Lessee.

#### Land Description:

1. 1 1 1

1.877 acres of land, more or less, being all of Lot 1-R3, Block 43 of Stoneglen at Fossil Creek, an addition to the City of Fort Worth, according to the plat thereof as recorded in Cabinet A, Slide 4660 and 4661, of the Plat Records of Tarrant County, Texas.

15. Option Clause: Notwithstanding anything to the contrary contained herein, Lessee is hereby granted the exclusive option, to be exercised prior to the date on which this lease or any portion thereof would expire in accordance with its terms and provisions, of extending this lease for an additional period of two (2) years as to all or any portion of the acreage described herein. The only action required by Lessee to exercise this option being payment to Lessor, or to Lessor's credit with the depository bank named herein, of an additional consideration of the sum of \$7,500.00 per net mineral acre so extended, which payment shall cover the entire two (2) year extended primary term. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. If this lease is extended as to only a portion of the acreage then covered hereby, Lessee shall designate such portion by a recordable instrument.

#### ADDENDUM

Attached to and made a part of that certain OIL, GAS AND MINERAL LEASE, dated June 5, 2008, by and between Brinker Texas, Inc., a Delaware Corporation, Successor in Interest to Brinker Texas, L.P., a Texas Limited Partnership, as Lessor, and XTO Energy Inc., as Lessoe, to wit:

Notwithstanding anything herein to the contrary in the printed form, the Addendum is in effect an amendment to all of the prior paragraphs, and if any of the terms or provisions of the printed form disagrees with the terms and provisions of the Addendum, then the Addendum paragraphs shall prevail.

## 15. ROYALTY.

- a. The royalty on gas shall be computed on the proceed received by Lessee, subject to the authorized unaffiliated third-party deductions provided for herein. Lessee shall not make any deductions for, and shall bear all costs and expenses of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, marketing, marketing fees or commissions and otherwise making the production ready for sale, transportation or use (collectively, "post-production expenses"); provided, however, Lessor's royalty on gas shall be charged with and bear its proportionate share of any actual, reasonable transportation expenses (including compression and related fuel charges) paid to or deducted by an unaffiliated third party in the event the point of first sale of such gas to a non-affiliated third party is located off the leased premises.
- b. For the purpose of computing oil royalties hereunder, the amount received by Lessee shall include all bonus or premium amounts, in addition to posted prices received by Lessee, or any affiliate of Lessee, upon resale.
- 16. There is hereby saved and reserved to Lessor the full use of said land and all rights with respect to the surface and subsurface (which said reserved rights shall not interfere with the rights granted by this Lease) thereof for any and all purposes except to the extent herein leased to Lessee. Lessor reserves and excepts from this Lease all of the surface of the said land, and Lessee agrees that it will not conduct drilling operations or any other operations or activities of any nature on the surface of said land. Lessee hereby waives all of the surface rights that a lessee of the mineral estate is entitled to under the law. No drilling activity shall be conducted on the said land, other than underground slat drilling from a location other than the said land. Except for offsite slant drilling or offsite directional drilling, no pipeline, equipment, or other structures shall be placed in, on, or under any of said land.
- 17. This Lease covers only oil and gas, including other liquid gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, but this Lease does not cover gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from said lands separate and apart from, or independent of, oil, gas or other liquid and gaseous hydrocarbons. There is reserved and excepted from this Lease and reserved to Lessor, its successors or assigns, all lignite, coal, uranium and metallic ores and it is understood and expressly provided that the terms "mineral" or "minerals," "other mineral" and "other minerals" shall refer to oil, gas and other hydrocarbons and their respective constituents associated with the production of oil and/or gas and shall not refer to or include lignite, coal, uranium and metallic ores or other substances not associated with the production of oil and/or gas.
- 18. It is expressly agreed and provided that this Lease cannot be held, maintained, or extended under any circumstances by virtue of the shut-in gas provisions of this Lease for a longer term than two (2) consecutive years. It is also agreed and understood that this Lease cannot be held, maintained, or extended after the original term of the Lease under any and all of the various terms of the Lease for a period in excess of three (3) years in the aggregate.
- 19. Lessee shall not have the right to use any water from Lessor's property and no free use of the oil and gas produced from the property.
- 20. Nothwithstanding anything to the contrary in this Lease, Lessor makes no warranty of any kind, express or implied, as to title to its undivided interest in said land and there shall be no liability on the part of Lessor to refund any amount received under the terms of this Lease, nor shall Lessor be required to furnish any bond, abstract, or indemnification to any person or entity regarding its title to said land. If Lessor owns an interest in the Land less than the entire fee simple estate, then the royalties (including shut-in royalties) payable hereunder will be reduced proportionately. All royalty interest

covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. This <u>Paragraph 20</u> replaces <u>Paragraph 10</u> of the **Lease** in its entirety.

- 21. Notwithstanding anything to the contrary in this Lease, it is specifically provided that:
  - (a) All royalties on production hereunder shall be payable to Lessor at the address for Lessor specified herein.
  - (b) Unless there is a reasonable title dispute or question as to title, Lessee must disburse or cause to be disbursed to Lessor its royalty on production from a particular well not later than one hundred twenty (120) days after the end of the month of first sales of production. Thereafter, Lessee must disburse or cause to be disbursed to Lessor its monthly royalty on production by the last day of the second month after the month in which production is sold. If not paid when due, Lessor's royalty will bear interest at the statutory rate from due date until paid, which amount Lessee agrees to pay.
  - (c) The provisions of this <u>Paragraph 21</u> shall not apply where <u>Lessor</u> has elected to take <u>Lessor's</u> royalty in kind or market separately <u>Lessor's</u> royalty share of production under the terms of this <u>Lease</u>.
  - (d) Lessor, at its sole expense, shall have the right to audit, exercisable no more than once during any 12-month period, the accounts and records of Lessee, its successors and assigns, relating to the Leased Premises, in so far and only insofar as it specifically relates to production and the calculation and payment of royalties under this lease. Such right shall be exercised by Lessor by giving Lessee reasonable notice and such audit shall be conducted only during normal business hours. If the audit reveals an underpayment in an amount greater than \$10,000, Lessee shall promptly reimburse Lessor for the reasonable costs of the audit.
- 22. Notwithstanding anything to the contrary in <u>Paragraph 2</u> of this **Lease**, this Lease shall remain in force for a term of three (3) years from the date hereof, hereinafter called "primary term," and as long thereafter as oil, gas and other liquid and gaseous hydrocarbons are produced in payment quantities from said land or from land pooled therewith, or so long thereafter as operations, as defined herein, are conducted upon said land with no cessation for more than ninety (90) consecutive days.
- 23. Whenever used in this lease the word "operations" shall mean operations for any of the following: preparing the drillsite location and/or access road, drilling, testing, completing, reworking, recompleting, deepening, sidetracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.

### SIGNED FOR IDENTIFICATION:

Lessor: Brinker Texas, Inc., a Delaware Corporation, Successor in Interest to Brinker Texas, L.P.
By:
Name: <u>Jeffrey Hoban</u>
Title: Vice President
Dated: <u>June</u> /3 , 2008

Lessee: XTO Energy Inc.

Name: Edwin S. Ryan, Jr.

Title: Senior Vice President - Land Administration

Dated: July 3/ , 2008